

County, MN. Ninety-five percent of recipients in Ramsey County prefer EBT over checks and food stamps. It allows recipients to have their monthly benefits on the date that they are available, instead of when the Postal Service finally delivers them. It also allows the recipient to bypass check cashing fees and to withdraw small amounts at a time, making them less of a target for mugging.

Senator DOLE's welfare reform proposal S. 1120, as well as Senator DASCHLE's proposed substitute, the Work First proposal, would exempt only food stamp benefits distributed by EBT from regulation E. I support these provisions, for now, because the Secretary of the U.S. Department of Agriculture would continue to have authority to ensure there are adequate protections. For example, it is my understanding that the Secretary could require the application of regulation E to food stamps if the States or banks abuse the system. But the same would not be true for AFDC if the Congress were to convert the program to a block grant for cash assistance. Under a block grant beneficiaries would have no recourse if banks or the State agencies did not act responsibly.

In contrast, the House has taken a different approach and has exempted all needs-tested Government programs that make use of EBT from regulation E. For reasons I have described, I do not think this is appropriate. I believe legislation that effects regulation E's application to EBT needs more thought. We need to consider how to minimize State liability while still maintaining protections for recipients using EBT. Congress should take the short-term step of eliminating the \$50 liability limit. Other requirements of regulation E, such as the requirement to address complaints in a timely manner, may continue to be necessary to ensure that recipients in Federal cash-assistance welfare programs are treated fairly. The Federal Reserve Board has already determined that regulation E shall apply to all EBT programs as of February 1997. We need to act on this issue soon so that States will not see the impending implementation of regulation E as a barrier to starting EBT programs. I would like to work with my colleagues to eliminate barriers to the States' use of EBT so that States will not be dissuaded from implementing EBT programs. •

TRIBUTE TO FANNIE MAE

• Mr. SIMON. Mr. President, I recently joined Mayor Daley, Fannie Mae President Larry Small, and others, in announcing Fannie Mae's "HouseChicago" plan. "HouseChicago" is a \$10 billion, 7-year investment plan developed by Fannie Mae's Chicago Partnership Office, the City of Chicago and numerous local partners.

Fannie Mae was created by Congress as a federally-chartered, shareholder-owned corporation, whose mission is to

make sure mortgage funds are readily available in every State of the Nation. I am proud to say Fannie Mae has done a tremendous job at fulfilling that mission, and I want to bring to the attention of my colleagues the following editorial by the Chicago Tribune regarding Fannie Mae's investment in the city of Chicago.

[From the Chicago Tribune, August 26, 1995]

FANNIE MAE'S HOME COOKIN'

It's hard to overstate the importance of home ownership to the success of a neighborhood.

Besides being a ticket to the middle-class, ownership gives people a larger stake in their communities. It makes them less tolerant of vandalism or drug-dealing and more likely to get involved in a block club or the PTA.

But as nearly every homeowner is reminded once a month, it's the mortgage-holder that really owns the house. It's the lender or, more often, the financial house that buys the mortgage from the lender whose investment is most at risk. That's why the note-holder gets first claim on the property should the purchaser fail to make payments.

And that's why lenders have strict standards about whom they will lend to and under what circumstances. But as lenders increasingly sell their mortgages on the so-called "secondary" market, it's the standards of the huge mortgage purchasing corporation that become key.

In that regard, recent initiatives by the Federal National Mortgage Association (Fannie Mae), the nation's largest repurchaser of home mortgages, deserve to be recognized and applauded.

Not to be confused with the local confectioner, Fannie Mae is a federally chartered, publicly traded corporation whose mission is to encourage private investment in residential mortgages. It recently struck a deal with the city to modify its underwriting standards in certain disadvantaged neighborhoods.

Participating lenders can now offer extra-low (3 percent) down payment terms to families earning up to 20 percent above the area median income of \$51,300—if the house they are buying is located within the city's empowerment zone or certain other areas targeted by City Hall for redevelopment.

Some might call this an attempt at gentrification, but it means that middle-income families—and the stability they bring—will be lured into neighborhoods they might otherwise spurn as too risky.

Other Fannie Mae changes will make it easier for buyers of small apartment buildings to get conventional mortgages, as well as buyers participating in the city's New Homes For Chicago Program and the purchase-rehabilitation program run by a group called Neighborhood Housing Services of Chicago (NHS).

The bottom-line in Fannie Mae's "House Chicago" program will be \$10 billion in private loans pumped into neighborhoods that might otherwise have to rely on federal mortgage insurance . . . with all the abuses those programs often bring.

It's not the candy company, but Fannie Mae is giving new meaning to "Sweet Home Chicago."

TONY ELROY MCHENRY

Mr. WARNER. Mr. President, I rise today to pay special tribute to the life of Tony Elroy McHenry. Tony passed away September 9, 1995, and is remem-

bered as a loving husband and son, and a devoted employee of the U.S. Senate.

Born the youngest son of Hugh O. and the late Janet W. McHenry, Tony claimed home in Fredericksburg, VA. Even as a young child, Tony always found a peacefulness in his faith; he was a life-long member of Beulah Baptist Church.

Tony was educated in Spotsylvania County at the John J. Wright Consolidated School and then Spotsylvania High School. He also attended Virginia State University.

On December 3, 1988, he and Piatrina A. Robinson were married. He is survived by his wife. Tony distinguished himself as an offset pressman for the U.S. Senate Service Department and friends remark on his quiet dignity and pride taken in his work. He always balanced professionalism and a courteous manner, certainly his trademarks.

Tony McHenry will be missed by family and friends: his smile, his warm and engaging personality, his earthly spirit.

ORDERS FOR TOMORROW

Mr. JEFFORDS. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:15 a.m. on Thursday, September 14, 1995; that following the prayer, the Journal of proceedings be deemed approved to date; the time for the two leaders be reserved for their use later in the day, and there be a period for morning business until the hour of 10 a.m. with Senator BYRD to be recognized for up to 45 minutes; I further ask that at 10 a.m. the Senate immediately resume consideration of H.R. 4, the welfare reform bill under the provisions of the previous consent agreement; further, that if Senator DODD has not offered his amendment and therefore is not pending following the last rollcall votes in Thursday's series of votes, Senator SHELBY shall be recognized to call up amendment No. 2526.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. JEFFORDS. For the information of all Senators, the Senate will resume consideration of the welfare reform bill tomorrow morning at 10 a.m. Following 10 minutes of debate the Senate will begin a series of rollcall votes on or in relation to amendments to the welfare reform bill. All Senators should therefore expect the first rollcall vote on Thursday at approximately 10:10, to be followed by a series of votes with only 10 minutes of debate between each vote.

The PRESIDING OFFICER. Without objection, it is so ordered.